

**2013 DRAFTING REQUEST**

**Bill**

Received:	<b>1/7/2014</b>	Received By:	<b>mkunkel</b>
Wanted:	<b>As time permits</b>	Same as LRB:	
For:	<b>Katrina Shankland (608) 267-9649</b>	By/Representing:	<b>Matt Egerer</b>
May Contact:		Drafter:	<b>mkunkel</b>
Subject:	<b>Public Util. - energy</b>	Addl. Drafters:	
		Extra Copies:	<b>EVM</b>

Submit via email: **YES**  
 Requester's email: **Rep.Shankland@legis.wisconsin.gov**  
 Carbon copy (CC) to: **Matt.Egerer@legis.wisconsin.gov**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Renewable energy authority

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**Instructions:**

See attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mkunkel 1/22/2014			_____			
/P1	mkunkel 2/11/2014	wjackson 1/29/2014	jmurphy 1/29/2014	_____	lparisi 1/29/2014		State
/1		wjackson 2/13/2014	jfrantze 2/13/2014	_____	mbarman 2/13/2014	mbarman 3/17/2014	State Tax

FE Sent For:

<END>

At  
Intro.

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/?	mkunkel 1/22/2014			_____			
/P1	mkunkel	wjackson 1/29/2014	jmurphy 1/29/2014	_____	lparisi 1/29/2014		State

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1/11/13 wis Rs 2/13  
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Received: 1/7/2014 Received By: mkunkel  
Wanted: As time permits Same as LRB:  
For: Peter Barca (608) 266-5504 By/Representing: Matt Egerer  
May Contact: Drafter: mkunkel  
Subject: Public Util. - energy Addl. Drafters:  
Extra Copies: EVM

Submit via email: YES  
Requester's email: Rep.Barca@legis.wisconsin.gov  
Carbon copy (CC) to:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Renewable energy authority

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**Instructions:**

See attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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Wanted:	<b>As time permits</b>	Same as LRB:	
For:	<b>Peter Barca (608) 266-5504</b>	By/Representing:	<b>Matt Egerer</b>
May Contact:		Drafter:	<b>mkunkel</b>
Subject:	<b>Public Util. - energy</b>	Addl. Drafters:	
		Extra Copies:	<b>EVM</b>

Submit via email: **YES**  
 Requester's email: **Rep.Barca@legis.wisconsin.gov**  
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/?	mkunkel	/p/wlj 1/29
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*[Signature]*  
1/29

FE Sent For:

<END>

AN ACT to amend 7.33 (1) (c), 13.172 (1), 13.62 (2), 13.94 (4) (a) 1., 16.002 (2), 16.004 (4), 16.004 (5), 16.004 (12) (a), 16.01 (1), 16.045 (1) (a), 16.41 (4), 16.417 (1) (b), 16.52 (7), 16.528 (1) (a), 16.53 (2), 16.54 (9) (a) 1., 16.70 (2), 16.75 (1m), 16.838 (1) (b), 16.85 (2), 16.865 (8), 23.175 (1) (b), 77.54 (9a) (a), 100.45 (1) (dm), 101.177 (1) (d), 103.49 (1) (f), 106.16 (2), 106.16 (3), 230.03 (3), 281.75 (4) (b) 3., 285.59 (1) (b), 560.032 (1) and 706.11 (1) (c) 2.; and to create 19.42 (10) (r), 24.61 (2) (a) 11., 25.17 (3) (b) 14., 40.02 (54) (k), 66.0603 (1m) (a) 3v., 71.05 (1) (c) 8., 71.26 (1m) (i), 71.45 (1t) (i), 219.09 (1) (h), chapter 238 and 600.01 (1) (b) 7m. of the statutes; relating to: creating the Wisconsin Renewable Energy Development Authority and authorizing the Wisconsin Renewable Energy Development Authority to operate certain clean and renewable energy development programs.

Analysis by the Legislative Reference Bureau

### Wisconsin Renewable Energy Development Authority

This bill creates the Wisconsin Renewable Energy Development Authority (WREDA) and authorizes WREDA to operate certain programs related to renewable resource development. An authority is a public body created by state law that is not a state agency. Under this bill, the board of directors of WREDA consists of 11 members. Five members of the board are appointed by the governor with the advice and consent of the senate for four-year terms. Four of those members must be from clean or renewable energy or biobased industries and one must be a commercial lender. The other board members are the secretary of natural resources, the secretary of agriculture, trade and consumer protection, the secretary of commerce, the chair of the public service commission, the dean of the University of Wisconsin Madison College of Agriculture and Life Sciences and the director of the Wisconsin alumni research foundation or their designees. The executive director of WREDA is appointed by the Governor. The bill authorizes WREDA to issue bonds to carry out its functions. WREDA's bonds are not state debt. The bill authorizes WREDA to have no more than \$500,000,000 in outstanding bonds at any one time. The bill creates an individual and corporate income tax exemption for interest on bonds issued by WREDA. *to check*

Because WREDA is not a state agency, numerous laws that apply to state agencies do not apply to WREDA. However, WREDA is treated like a state agency in the following respects, among others: 1) it is subject to the open meetings laws; 2) it is subject to auditing by the Legislative Audit Bureau; 3) it is treated like a state agency for purposes of the law regulating lobbying; 4) the Code of Ethics for Public Officials and Employees covers WREDA; and 5) employees of WREDA are considered state employees for the purposes of state retirement benefits and health insurance coverage. WREDA is subject to the open records law, except that personal and financial information provided by a person seeking financial assistance from WREDA is confidential.

### Clean and renewable energy loan programs

The bill authorizes WREDA to operate a clean and renewable energy loan program. Under this program, WREDA participates in loans made by private lenders to eligible borrowers. An eligible borrower is a natural person who resides in this state or a partnership or corporation that operates in this state that is engaged clean or renewable energy or biobased business. Financing may be for capital expenses, operating expenses or both. WREDA may establish additional requirements for eligible borrowers.

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*by virtue of  
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### **Loan guarantee programs**

This bill authorizes the WREDA to operate a clean and renewable energy loan guarantee program. Under the loan guarantee programs, WREDA guarantees repayment of a percentage of the outstanding principal amounts of loans made by private lenders to qualified borrowers. Generally, to be eligible for a loan guarantee, the entity must be engaged in a clean or renewable energy or biobased business and must not meet the lender's minimum standards of creditworthiness to receive the loan without the guarantee. The total outstanding amount of all loans to a borrower that are guaranteed under the program may not exceed an amount set by WREDA. The bill provides for a Wisconsin clean and renewable energy reserve fund which would consist of funds to guarantee loans. The bill authorizes WREDA to guarantee loans up to a total principal amount of \$25,000,000, but this amount may be increased or decreased by the Joint Committee on Finance. The bill requires WREDA to ensure that the cash balance in the reserve fund is sufficient to maintain a ratio of \$1 of reserve funding to \$4.50 of total outstanding principal of loans guaranteed.

### **Grant program**

The bill authorizes the WREDA to operate a grant program for funding of projects of entities engaged in the development and commercialization of clean or renewable energy or biobased fuels, power and products. WREDA shall establish guidelines for the grant program. A grant committee consisting of the secretaries of agriculture trade and consumer protection, natural resources and commerce shall make the grant determinations in consultation with WREDA staff.

### **Additional powers**

The bill authorizes WREDA to implement the following programs for the purpose of promoting the development of clean or renewable energy or biobased businesses:

1. A revolving loan fund program for loans to finance clean or renewable energy or biobased businesses.
2. An equity financing program to facilitate investments in clean or renewable energy or biobased businesses owned and controlled by producers and other local persons.
3. A program of technical assistance to clean or renewable energy or biobased businesses and community based clean or renewable energy or biobased projects.
4. A conservation trading program under which WREDA acts as an intermediary in the aggregation and trading of environmental credits related to clean and renewable energy production.
5. WREDA acquisition of technology licenses and royalties on technologies developed with the assistance of the WREDA.

This bill will be referred to the Joint Survey Committee on Tax Exemptions for a detailed analysis, which will be printed as an appendix to this bill. For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 7.33 (1) (c) of the statutes is amended to read:

7.33 (1) (c) "State agency" has the meaning given under s. 20.001 (1) and includes an authority created under subch. II of ch. 114 or ch. 231, 232, 233, 234, or 237, or 238.

SECTION 2. 13.172 (1) of the statutes is amended to read:

13.172 (1) In this section, "agency" means an office, department, agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, and any authority created in subch. II of ch. 114 or ch. 231, 233 ~~or~~ 234, or 238.

SECTION 3. 13.62 (2) of the statutes is amended to read:

13.62 (2) "Agency" means any board, commission, department, office, society, institution of higher education, council or committee in the state government, or any authority created in subch. II of ch. 114 or ch. 231, 232, 233, 234, or 237, or 238, except that the term does not include a council or committee of the legislature.

SECTION 4. 13.94 (4) (a) 1. of the statutes is amended to read:

13.94 (4) (a) 1. Every state department, board, examining board, affiliated credentialing board, commission, independent agency, council or office in the executive branch of state government; all bodies created by the legislature in the legislative or judicial branch of state government; any public body corporate and politic created by the legislature including specifically the Fox River Navigational System Authority, and the Wisconsin Aerospace Authority and the Wisconsin Renewable Energy Development Authority, a professional baseball park district, a local professional football stadium district, a local cultural arts district and a family care district under s. 46.2895; every Wisconsin works agency under subch. III of ch. 49; every provider of medical assistance under subch. IV of ch. 49; technical college district boards; development zones designated under s. 560.71; every county department under s. 51.42 or 51.437; every nonprofit corporation or cooperative to which moneys are specifically appropriated by state law; and every corporation, institution, association or other organization which receives more than 50% of its annual budget from appropriations made by state law, including subgrantee or subcontractor recipients of such funds.

SECTION 5. 16.002 (2) of the statutes is amended to read:

16.002 (2) "Departments" means constitutional offices, departments and independent agencies and includes all societies, associations and other agencies of state government for which appropriations are made by law, but not including authorities created in subch. II of ch. 114 or chs. 231, 232, 233, 234, 235, and 237, and 238.

SECTION 6. 16.004 (4) of the statutes is amended to read:

16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the department as the secretary designates may enter into the offices of state agencies and authorities created under subch. II of ch. 114

or chs. 231, 233, 234, and 237, and 238, and may examine their books and accounts and any other matter which in the secretary's judgment should be examined and may interrogate the agency's employees publicly or privately relative thereto.

SECTION 7. 16.004 (5) of the statutes is amended to read:

16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and authorities created under subch. II of ch. 114 or chs. 231, 233, 234, and 237, and 238, and their officers and employees, shall cooperate with the secretary and shall comply with every request of the secretary relating to his or her functions.

SECTION 8. 16.004 (12) (a) of the statutes is amended to read:

16.004 (12) (a) In this subsection, "state agency" means an association, authority, board, department, commission, independent agency, institution office, society or other body in state government created or authorized to be created by the constitution or any law, including the legislature, the office of the governor and the courts, but excluding the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Wisconsin Clean and renewable energy Authority, and the Fox River Navigational System Authority.

SECTION 9. 16.01 (1) of the statutes is amended to read:

16.01 (1) In this section, "agency" means any office, department, agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including the legislature and the courts, and any authority created under ch. 231, 233 or, 234, or 238.

SECTION 10. 16.045 (1) (a) of the statutes is amended to read:

16.045 (1) (a) "Agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or ch. 231, 232, 233, 234, 235, or 237, or 238.

SECTION 11. 16.41 (4) of the statutes is amended to read:

16.41 (4) In this section, "authority" means a body created under subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238.

SECTION 12. 16.417 (1) (b) of the statutes is amended to read:

16.417 (1) (b) "Authority" means a body created under subch. II of ch. 114 or ch. 231, 232, 233, 234, 235 or, 237, or 238.

SECTION 13. 16.52 (7) of the statutes is amended to read:

16.52 (7) PETTY CASH ACCOUNT. With the approval of the secretary, each agency which is authorized to maintain a contingent fund under s. 20.920 may establish a petty cash account from its contingent fund. The procedure for operation and maintenance of petty cash accounts and the character of expenditures there from shall be prescribed by the secretary. In this subsection, "agency" means an office,

department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238.

SECTION 14. 16.528 (1) (a) of the statutes is amended to read:

16.528 (1) (a) "Agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238.

SECTION 15. 16.53 (2) of the statutes is amended to read:

16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed invoice, the agency shall notify the sender of the invoice within 10 working days after it receives the invoice of the reason it is improperly completed. In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238.

SECTION 16. 16.54 (9) (a) 1. of the statutes is amended to read:

16.54 (9) (a) 1. "Agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238.

SECTION 17. 16.70 (2) of the statutes is amended to read:

16.70 (2) "Authority" means a body created under subch. II of ch. 114 or ch. 231, 232, 233, 234, 235, or 237, or 238.

SECTION 18. 16.75 (1m) of the statutes is amended to read:

16.75 (1m) The department shall award each order or contract for materials, supplies or equipment on the basis of life cycle cost estimates, whenever such action is appropriate. Each authority other than the University of Wisconsin Hospitals and Clinics Authority, and the Wisconsin Aerospace Authority and the Wisconsin Renewable Energy Development Authority shall award each order or contract for materials, supplies or equipment on the basis of life cycle cost estimates, whenever such action is appropriate. The terms, conditions and evaluation criteria to be applied shall be incorporated in the solicitation of bids or proposals. The life cycle cost formula may include, but is not limited to, the applicable costs of energy efficiency, acquisition and conversion, money, transportation, warehousing and distribution, training, operation and maintenance and disposition or resale. The department shall prepare documents containing technical guidance for the development and use of life cycle cost estimates, and shall make the documents available to local governmental units.

SECTION 19. 16.765 ~~(1), (2), (4), (5), (6), (7) (intro.) and (d) and (8)~~ of the statutes are amended to read:

16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Bradley Center Sports and Entertainment Corporation shall include in all contracts executed by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m) or national origin and , except with respect to sexual orientation, obligating the contractor to take affirmative action to ensure equal employment opportunities.

(2) Contracting agencies, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Bradley Center Sports and Entertainment Corporation shall include the following provision in every contract executed by them: " In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability, as defined in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause".

(4) Contracting agencies, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Bradley Center Sports and Entertainment Corporation shall take appropriate action to revise the standard government contract forms under this section.

(5) The head of each contracting agency and the boards of directors of the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Bradley Center Sports and Entertainment Corporation shall be primarily responsible for obtaining compliance by any contractor with the nondiscrimination and affirmative action provisions prescribed by this section, according to procedures recommended by the department. The department shall make recommendations to the contracting agencies and the boards of directors of the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Bradley Center Sports and Entertainment Corporation for improving and making more effective the nondiscrimination and affirmative action provisions of contracts. The department shall promulgate such rules as may be necessary for the performance of its functions under this section.

(6) The department may receive complaints of alleged violations of the nondiscrimination provisions of such contracts. The department shall investigate and determine whether a violation of this section has occurred. The department may delegate this authority to the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, or the Bradley Center Sports and Entertainment Corporation for processing in accordance with the department's procedures.

(7) (intro.) When a violation of this section has been determined by the department, the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, or the Bradley Center Sports and Entertainment Corporation, the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, or the Bradley Center sports and Entertainment corporation shall:

(d) Direct the violating party to take immediate steps to prevent further violations of this section and to report its corrective action to the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, or the Bradley Center Sports and entertainment Corporation.

(8) If further violations of this section are committed during the term of the contract, the contracting agency, the Fox River Navigational Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, or the Bradley Center Sports and Entertainment Corporation may permit the violating party to complete the contract after complying with this section but thereafter the contracting agency, the Fox River Navigational Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, or the Bradley Center Sports and Entertainment Corporation shall request the department to place the name of the party on the ineligible list for state contracts, or the contracting agency, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, or the Bradley Center Sports and Entertainment Corporation may terminate the contract without liability for the uncompleted portion or any materials or services purchased or paid for by the contracting party for use in completing the contract.

SECTION 20. 16.838 (1) (b) of the statutes is amended to read:

16.838 (1) (b) "Authority" means a body created under subch. II of ch. 114 or ch. 231, 232, 233, 234, 235, or 237, or 238.

SECTION 21. 16.85 (2) of the statutes is amended to read:

16.85 (2) To furnish engineering, architectural, project management and other building construction services whenever requisitions therefor are presented to the department by any agency. The department may deposit moneys received from the provision of these services in the account under s. 20.505 (1) (kc) or in the general fund as general purpose revenue — earned. In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238.

SECTION 22. 16.865 (8) of the statutes is amended to read:

16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a proportionate share of the estimated costs attributable to programs administered by the agency to be paid from the appropriation under s. 20.505 (2) (k). The department may charge premiums to agencies to finance costs under this subsection and pay the costs from the appropriation on an actual basis. The department shall deposit all collections under this subsection in the appropriation account under s. 20.505 (2) (k). Costs assessed

under this subsection may include judgments, investigative and adjustment fees, data processing and staff support costs, program administration costs, litigation costs and the cost of insurance contracts under sub. (5). In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or ch. 231, 232, 233, 234, 235, or 237, or 238.

SECTION 23. 19.42 (10) (r) of the statutes is created to read:

19.42 (10) (r) The executive director and members of the board of directors of the Wisconsin Renewable Energy Development Authority.

SECTION 24. 20.498 of the statutes is created to read:

20.498 Wisconsin Renewable Energy Development Authority. There is appropriated to the Wisconsin Renewable Energy Development Authority for the following programs:

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SECTION 24. 23.175 (1) (b) of the statutes is amended to read:

23.175 (1) (b) "State agency" means any office, department, agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including any authority created under subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238 but not including the legislature or the courts.

SECTION 25. 24.61 (2) (a) 11. of the statutes is created to read:

24.61 (2) (a) 11. Bonds of the Wisconsin Renewable Energy Development Authority.

SECTION 26. 25.17 (3) (b) 14. of the statutes is created to read:

25.17 (3) (b) 14. Bonds issued by the Wisconsin Renewable Energy Development Authority.

SECTION 27. 40.02 (54) (k) of the statutes is created to read:

40.02 (54) (k) The Wisconsin Renewable Energy Development Authority.

SECTION 28. 66.0603(1m) (a) 3v. of the statutes is created to read:

66.0603 (1m) (a) 3v. Bonds issued by the Wisconsin Renewable Energy Development Authority.

SECTION 29. 71.05 (1) (c) 8. of the statutes is created to read:

71.05 (1) (c) 8. The Wisconsin Renewable Energy Development Authority.

SECTION 30. 71.26 (1) (be) is amended to read:

71.26 (1) (be) Certain authorities. Income of the University of Wisconsin Hospitals and Clinics Authority, of the Fox River Navigational System Authority, of the Wisconsin Renewable Energy Development Authority, and of the Wisconsin Aerospace Authority.

SECTION 31. 71.26 (1m) (i) of the statutes is created to read:

71.26 (1m) (i) Those issued under s. 238.08.

SECTION 32. 71.45 (1t) (i) of the statutes is created to read:

71.45 (1t) (i) Those issued under s. 238.08.

SECTION 33. 77.54 (9a) (a) of the statutes is amended to read:

77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Fox River Navigational System Authority.

SECTION 34. 100.45 (1) (dm) of the statutes is amended to read:

100.45 (1) (dm) "State agency" means any office, department, agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including the legislature and the courts, the Wisconsin Housing and Economic Development Authority, the Bradley Center Sports and Entertainment Corporation, the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Fox River Navigational System Authority.

SECTION 35. 101.177 (1) (d) of the statutes is amended to read:

101.177 (1) (d) "State agency" means any office, department, agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including the legislature and the courts, the Wisconsin Housing and Economic Development Authority, the Bradley Center Sports and Entertainment Corporation, the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Wisconsin Health and Educational Facilities Authority.

→ 101177 repealed by  
2011 Act 146  
s. 34

SECTION 36. 103.49 (1) (f) of the statutes is created to read:

103.49 (1) (f) "State agency" means any office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, including the legislature and the courts. "State agency" also includes the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Renewable Energy Development Authority, and the Wisconsin Aerospace Authority.

SECTION 37. 106.16 (2) of the statutes is amended to read:

106.16 (2) Any company that receives a loan or grant from a state agency or an authority under ch. 231 or, 234, or 238 shall notify the department and the local workforce development board established under 29 USC 2832, of any position in the company that is related to the project for which the grant or loan is received to be filled in this state within one year after receipt of the loan or grant. The company shall provide this notice at least 2 weeks prior to advertising the position.



SECTION 38. 106.16 (3) of the statutes is amended to read:

106.16 (3) A state agency or an authority under ch. 231 or, 234, or 238 shall notify the department of commerce if it makes a loan or grant to a company.

SECTION 39. 219.09 (1) (h) of the statutes is created to read:

219.09 (1) (h) The Wisconsin Renewable Energy Development Authority.

SECTION 40. 230.03 (3) of the statutes is amended to read:

230.03 (3) "Agency" means any board, commission, committee, council, or department in state government or a unit thereof created by the constitution or statutes if such board, commission, committee, council, department, unit, or the head thereof, is authorized to appoint subordinate staff by the constitution or statute, except a legislative or judicial board, commission, committee, council, department, or unit thereof or an authority created under subch. II of ch. 114 or chs. 231, 232, 233, 234, 235, or 237, or 238. "Agency" does not mean any local unit of government or body within one or more local units of government that is created by law or by action of one or more local units of government.

SECTION 41. Chapter 238 of the statutes is created to read:

## CHAPTER 238

### WISCONSIN RENEWABLE ENERGY DEVELOPMENT AUTHORITY

238.01 Definitions. In this chapter:

- (1) "Authority" means the Wisconsin Renewable Energy Development Authority.
- (2) "Board" means the board of directors of the authority.
- (3) "Bond" means a bond, note, or other obligation of the authority issued under this chapter, including a refunding bond.
- (4) "Bond resolution" means a resolution of the board authorizing the issuance of, or providing terms and conditions related to, bonds and includes, when appropriate, any trust agreement, trust indenture, indenture of mortgage, or deed of trust providing terms and conditions for the bonds.

238.02 Creation and organization. (1) (a) There is created a public body politic and corporate to be known as the "Wisconsin Renewable Energy Development Authority." The board of the authority shall consist of the following members:

1. Four persons representing clean or renewable energy or biobased industries.
2. One commercial lender.
3. The secretary of natural resources or his or her designee.
4. The secretary of agriculture, trade and consumer protection or his or her designee.
5. The secretary of commerce or his or her designee.
6. The chair of the public service commission or his or her designee.

7. The dean of the college of agriculture and life sciences of the University of Wisconsin Madison or his or her designee.

8. The director of the Wisconsin Alumni Research Foundation or his or her designee.

(b) The members under par. (a) 1. and 2. shall be nominated by the governor, and with the advice and consent of the senate appointed, for 4-year terms.

(c) Members of the board shall be residents of the state.

(d) The terms of the members appointed under par. (a) 1. and 2. expire on July

1. Each member's appointment remains in effect until a successor is appointed.

(e) Annually, the governor shall appoint one member as chairperson and the board shall elect one member as vice chairperson.

(2) The Governor after consultation with the board, shall appoint an executive director who may not be a member of the board and who shall serve at the pleasure of the Governor. The board shall determine the compensation of the executive director, except that the compensation of the executive director may not exceed the maximum of the salary range established under s. 20.923 (1) for positions assigned to executive salary group 4 and the compensation of each other employee of the authority may not exceed the maximum of the salary range established under s. 20.923 (1) for positions assigned to executive salary group 3. The executive director or another person designated by resolution of the board shall keep a record of the proceedings of the authority and shall be custodian of all books, documents, and papers filed with the authority, the minute book or journal of the authority, and its official seal. The executive director, or other person, may cause copies to be made of all minutes and other records and documents of the authority and may give certificates under the official seal of the authority to the effect that the copies are true copies, and all persons dealing with the authority may rely upon the certificates.

(3) Six members of the board constitute a quorum. The affirmative vote of a majority of all of the members of the board is necessary for any action taken by the authority. A vacancy in the membership of the board does not impair the right of a quorum to exercise all of the rights and perform all of the duties of the authority. Each meeting of the board shall be open to the public. Notice of meetings, or waivers thereof, shall be as provided in the bylaws of the authority. Resolutions of the authority need not be published or posted. The board may delegate by resolution to one or more of its members or the executive director the powers and duties that it considers proper.

(4) The members of the board shall receive no compensation for the performance of their duties as members, but each member shall be reimbursed for the member's actual and necessary expenses while engaged in the performance of the member's duties.

238.03 Powers of authority. The authority has all of the powers necessary or convenient to carry out the purposes and provisions of this chapter. In addition to all other powers granted by this chapter, the authority may do any of the following:

(1) Adopt bylaws and rules for the regulation of its affairs and the conduct of its business.

(2) Sue and be sued.

- (3) Hire employees, define their duties, and fix their rate of compensation, subject to s. 238.02 (2).
- (4) Have a seal and alter the seal at pleasure; have perpetual existence; and maintain an office.
- (5) Appoint any technical or professional advisory committee that the authority finds necessary to assist the authority in exercising its duties and powers; define the duties of any committee; and provide reimbursement for the expenses of any committee.
- (6) Enter into contracts with 3rd parties as are necessary for the conduct of its business.
- (7) Accept gifts, grants, and other funding for the conduct of its business.
- (8) Charge fees for services that the authority provides.
- (9) Procure insurance against any loss in connection with its assets and procure insurance on its debt obligations.

238.05 Political activities. (1) No employee of the authority may directly or indirectly solicit or receive subscriptions or contributions for any partisan political party or any political purpose while engaged in his or her official duties as an employee. No employee of the authority may engage in any form of political activity calculated to favor or improve the chances of any political party or any person seeking or attempting to hold partisan political office while engaged in his or her official duties as an employee or engage in any political activity while not engaged in his or her official duties as an employee to such an extent that the person's efficiency during working hours will be impaired or that he or she will be tardy or absent from work. Any violation of this section is adequate grounds for dismissal.

(2) If an employee of the authority declares an intention to run for partisan political office, the employee shall be placed on a leave of absence for the duration of the election campaign and if elected shall no longer be employed by the authority on assuming the duties and responsibilities of such office.

(3) An employee of the authority may be granted, by the chief executive officer, a leave of absence to participate in partisan political campaigning.

(4) Persons on leave of absence under sub. (2) or (3) are not subject to the restrictions of sub. (1), except as they apply to the solicitation of assistance, subscription, or support from any other employee in the authority.

238.06 Cooperation. To enhance the efficiency and effectiveness of the authority, the authority shall use staff and other resources of state agencies, including the University of Wisconsin System, and state agencies shall, to the extent possible given their staff and other resources, provide assistance to the authority.

238.08 Issuance of bonds. (1) The authority may issue bonds for any corporate purpose. All bonds are negotiable for all purposes, notwithstanding their payment from a limited source.

(2) The bonds of each issue shall be payable from sources specified in the bond resolution under which the bonds are issued.

(3) The authority may not issue bonds unless the issuance is first authorized by a bond resolution. Bonds shall bear the dates, mature at the times not exceeding 30 years from their dates of issue, bear interest at the rates, be payable at the times, be in the denominations, be in the form, carry the registration and

conversion privileges, be executed in the manner, be payable in lawful money of the United States at the places, and be subject to the terms of redemption, that the bond resolution provides. The bonds shall be executed by the manual or facsimile signatures of the officers of the authority designated by the board. The bonds may be sold at public or private sale at the price, in the manner, and at the time determined by the board. Pending preparation of definitive bonds, the authority may issue interim receipts or certificates that the authority shall exchange for the definitive bonds.

(4) Any bond resolution may contain provisions that shall be a part of the contract with the holders of the bonds that are authorized by the bond resolution, regarding any of the following:

(a) Pledging or assigning specified assets or revenues of the authority.

(b) Setting aside reserves or sinking funds, and the regulation, investment, and disposition of these funds.

(c) Limitations on the purpose to which or the investments in which the proceeds of the sale of any issue of bonds may be applied.

(d) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the terms upon which additional bonds may rank on a parity with, or be subordinate or superior to, the bonds authorized by the bond resolution.

(e) Funding, refunding, advance refunding, or purchasing outstanding bonds.

(f) Procedures by which the terms of any contract with bondholders may be amended, the amount of bonds the holders of which must consent to the amendment, and the manner in which this consent may be given.

(g) Defining the acts or omissions to act that constitute a default in the duties of the authority to the bondholders, and providing the rights and remedies of the bondholders in the event of a default.

(h) Other matters relating to the bonds that the board considers desirable.

(5) Neither the members of the board nor any person executing the bonds is liable personally on the bonds or subject to any personal liability or accountability by reason of the issuance of the bonds, unless the personal liability or accountability is the result of willful misconduct.

238.09 Bond security. The authority may secure any bonds issued under this chapter by a trust agreement, trust indenture, indenture of mortgage, or deed of trust by and between the authority and one or more corporate trustees. The bond resolution providing for the issuance of bonds so secured shall pledge some or all of the revenues to be received by the authority, and may contain provisions for protecting and enforcing the rights and remedies of the bondholders that are reasonable and proper and not in violation of law. A bond resolution may contain any other provisions that are determined by the board to be reasonable and proper for the security of the bondholders.

238.10 Bonds not public debt. (1) The state is not liable on bonds of the authority and the bonds are not a debt of the state. Each bond of the authority shall contain a statement to this effect on the face of the bond. The issuance of bonds under this chapter does not, directly, indirectly, or contingently, obligate the state or any political subdivision of the state to levy any tax or to make any appropriation for payment of the bonds. Nothing in this section prevents the authority from pledging its full faith and credit to the payment of bonds issued under this chapter.

(2) Nothing in this chapter authorizes the authority to create a debt of the state, and all bonds issued by the authority under this chapter are payable, and shall state that they are payable, solely from the funds pledged for their payment in accordance with the bond resolution authorizing their issuance or in any trust indenture or deed of trust executed as security for the bonds. The state is not liable for the payment of the principal of or interest on any bonds of the authority or for the performance of any pledge, mortgage, obligation, or agreement which may be undertaken by the authority. The breach of any pledge, mortgage, obligation, or agreement undertaken by the authority does not impose any pecuniary liability upon the state or any charge upon its general credit or against its taxing power.

238.11 State pledge. The state pledges to and agrees with the holders of bonds, and persons that enter into contracts with the authority under this chapter, that the state will not limit or alter the rights vested in the authority by this chapter before the authority has fully met and discharged the bonds, and any interest due on the bonds, and has fully performed its contracts, unless adequate provision is made by law for the protection of the bondholders or those entering into contracts with the authority.

238.16 Refunding bonds. (1) The authority may issue bonds to fund or refund any outstanding bond, including the payment of any redemption premium on the outstanding bond and any interest accrued or to accrue to the earliest or any subsequent date of redemption, purchase, or maturity.

(2) The authority may apply the proceeds of any bond issued to fund or refund any outstanding bond to purchase, retire at maturity, or redeem any outstanding bond. The authority may, pending application, place the proceeds in escrow to be applied to the purchase, retirement at maturity, or redemption of any outstanding bond at any time.

238.18 Limit on amount of outstanding bonds. The authority may not have outstanding at any one time bonds in an aggregate principal amount exceeding \$500,000,000, excluding bonds issued to refund outstanding bonds.

238.19 Annual reports. (1) The authority shall keep an accurate account of all of its activities and of all of its receipts and expenditures, and shall annually in January make a report of its activities, receipts, and expenditures to the governor and the chief clerk of each house of the legislature, for distribution to the legislature under s. 13.172 (2). The reports shall be in a form approved by the state auditor. The state auditor may investigate the affairs of the authority, may examine the properties and records of the authority, and may prescribe methods of accounting and the rendering of periodical reports in relation to activities undertaken by the authority.

(2) The authority, annually on July 1, shall file with the department of administration and the joint legislative council a complete and current listing of all forms, reports, and papers required by the authority to be completed by any person, other than a governmental body, as a condition of obtaining the approval of the authority or for any other reason. The authority shall attach a blank copy of each such form, report, or paper to the listing.

238.21 Confidentiality of certain records. The authority shall maintain the confidentiality of records or portions of records consisting of personal or financial information provided by a person seeking a loan, loan guarantee, or other financial assistance from the authority.

238.30 Clean and renewable energy loan program. (1) DEFINITIONS. In this section:

(a) "Clean or renewable energy or biobased business" means any commercial entity that produces energy, fuels, chemicals or products generated primarily from agricultural, forestry, plant or other biological materials; or is renewable.

(b) "Clean and renewable energy loan program" means the program under this section.

(c) "Eligible borrower" means a person to which all of the following apply:

1. The person is a natural person who resides in this state or a partnership or corporation that operates in this state.

2. The person demonstrates a need for the loan.

3. The person demonstrates an ability to repay the loan.

4. If the person is a natural person, the natural person's name does not appear, and if the person is a corporation, no shareholder's name appears, and, if the person is a partnership, no partner's name appears on the statewide support lien docket under s. 49.854 (2) (b) or, if the name of the natural person, a shareholder, or partner appears on that docket, the natural person, shareholder, or partner provides to the authority a payment agreement that has been approved by the county child support agency under s. 59.53 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a).

5. The person is or will be engaged in a bio-based business.

6. The person satisfies any other requirements prescribed by the authority.

(e) "Clean or renewable energy or biobased business loan" means a loan made by a participating lender to an eligible borrower under this section.

(f) "Participating lender" means a bank, farm credit service, credit union, savings bank, savings and loan association, or other person, other than a seller under a land contract, that has been approved by the authority to make loans to eligible borrowers under the clean and renewable energy loan programs and that has entered into a participation agreement with the authority under sub. (2).

(2) PARTICIPATION AGREEMENT WITH LENDER. A lender seeking to make a loan in which the authority may participate under the clean and renewable energy loan program shall apply to the authority for approval. If the lender is approved for making loans under the clean and renewable energy loan program, the lender and the authority shall enter into a participation agreement that shall provide for the contractual obligations of the lender and the authority with respect to any loan transaction in which the authority participates, the terms and conditions of loans in which the authority participates, and other matters related to the lender's involvement in the clean and renewable energy loan program.

(3) PARTICIPATION IN LOANS. The authority may participate, to the extent provided in this section, in a loan made by a participating lender to an eligible borrower under the clean and renewable energy loan program. The authority may impose repayment or other terms for its portion of a loan that are different from the participating lender's loan terms. The authority shall ensure that it obtains a security interest for the loan

(4) FEES. The authority shall charge a fee for assistance provided under the clean and renewable energy loan program to cover the costs of administering the clean and renewable energy loan program, including legal fees.

(5) RULES AND PROCEDURES. The authority shall adopt guidelines and establish procedures for administering the clean and renewable energy loan program, including rules or procedures related to all of the following:

(a) Application procedures for eligible borrowers and for lenders seeking to make loans under the clean and renewable energy loan program.

(b) Approval requirements for lenders and additional eligibility requirements for eligible borrowers.

(c) The terms of participation agreements under sub. (2).

(d) Repayment and security interest requirements.

(e) Procedural requirements for the authority's participation in loans.

(f) Auditing, inspection, and reporting requirements.

(g) Any other relevant matters.

(6) LOANS. The authority may participate as provided in sub. (3) in a clean or renewable energy or biobased business loan for capital expenses, operating expenses or both to an eligible borrower if all of the following apply:

(a) The collateral for the loan includes physical plant, equipment, machinery, or other assets.

(b) The loan does not exceed 80% of the appraised value of the collateral for the loan.

(c) The term of the loan does not exceed 10 years or for the acquisition of land or facilities may not exceed 20 years.

(7) MAXIMUM AMOUNT. The authority may not finance more than 50% or \$25,000,000 whichever is less, of the principal of any loan under this section.

238.50 Clean or renewable energy or biobased business loan guarantees. (1) DEFINITIONS. In this section:

(a) "Clean or renewable energy or biobased business" has the meaning provided in s. 238.30 (1) (a), Stats.

(b) "Guaranteed loan" means a clean or renewable energy or biobased business loan that is guaranteed by the authority.

(c) "Participating lender" means a bank, production credit association, credit union, savings bank, savings and loan association, or other person that makes bio-based business loans and that has entered into an agreement with the authority under this section.

(d) "Percentage of guarantee" means the percentage established by the authority under sub. (3).

(e) "Security interest" means an interest in property or other assets which secures payment or other performance of a guaranteed loan.

(2) ELIGIBLE LOANS. Except as provided in sub. (3j), if the authority implements the program under this section, a loan to a clean or renewable energy or biobased business made by a participating lender is eligible for guarantee of collection from the Wisconsin clean and renewable energy reserve fund under s. 238.58 if all of the following apply:

(a) The loan is to finance either capital or operating expenses or both.

(b) The total outstanding principal amounts of all loans to the borrower that are guaranteed under this section do not exceed an amount set annually by the authority that may not exceed \$25,000,000.

(c) The rate of interest on the loan, including any origination fees or other charges relating to the loan, does not exceed a rate determined by the authority after considering the conditions of the financial market.

(d) If the authority will make a payment under sub. (5) with respect to the loan, the rate of interest on the loan for which the borrower is obligated, including any origination fees or other charges relating to the loan, does not exceed the rate determined under par. (c), minus up to 2%.

(e) The participating lender obtains a security interest in physical plant, equipment, machinery, or other assets.

(f) Unless waived by the authority, the borrower procures a business insurance policy that is approved by the authority and the proceeds of that policy are payable to the participating lender.

(g) The loan term does not extend beyond 10 years after the date that the participating lender disburses the loan or if the loan is for the acquisition of land or facilities the loan term does not extend beyond 20 years after the date that the participating lender disburses the loan unless extended by the authority.

(h) The proceeds of the loan are not applied to the outstanding balance of any other loan, except that the proceeds may be used to refinance a loan under this section, subject to sub. (3n).

(i) The loan results in a new clean or renewable energy or biobased business, an expansion of an existing bio-based business or a new process, product or service by a bio-based business.

(j) The borrower does not meet the participating lender's minimum standards of creditworthiness to receive the loan in the normal course of the participating lender's business.

(k) The participating lender considers the borrower's assets, cash flow, and managerial ability sufficient to preclude voluntary or involuntary liquidation for the loan term granted by the participating lender.

(l) The participating lender agrees to the percentage of guarantee established for the loan by the authority.

(3) ELIGIBLE Clean or renewable energy or biobased Businesses. Except as provided in subs. (3j), if the authority implements the program under this section, a bio-based business is eligible for a guaranteed loan if all of the following apply:

(a) If the clean or renewable energy or biobased business is owned by a natural person, the natural person's name does not appear, and if the person is a corporation, no shareholder's name appears, and,



if the person is a partnership, no partner's name appears on the statewide support lien docket under s. 49.854 (2) (b) or, if the name of the natural person, a shareholder, or partner appears on that docket, the natural person, shareholder, or partner provides to the authority a payment agreement that has been approved by the county child support agency under s. 59.53 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a).

(b) The loan to the clean or renewable energy or biobased business meets all of the requirements of sub. (2).

(3m) EXTENSION. A participating lender may extend the term of a loan until no later than June 30 of the calendar year following the calendar year in which the participating lender granted the loan.

(3n) REFINANCING. (a) Except as provided in par. (b), proceeds of a guaranteed loan may be used to refinance a guaranteed loan no more than one time.

(b) The proceeds of a guaranteed loan may be used to refinance a guaranteed loan that has been refinanced one time if at least 60% of the principal amount of the refinanced guaranteed loan has been repaid.

(4) GUARANTEE. The authority may guarantee repayment of no more than 90% of the principal of any clean or renewable energy or biobased business loan eligible for guarantee under sub.

(2) made to a clean or renewable energy or biobased business eligible for a guaranteed loan under sub.

(3). The authority shall establish the percentage of the unpaid principal of an eligible loan that will be guaranteed, using the procedures described in the guarantee agreement under s. 238.58 (2) (a). The authority may establish a single percentage for all guaranteed loans or establish different percentages for eligible loans on an individual basis.

(5) ORIGATION FEES. The authority shall charge a guarantee origination fee on every loan guaranteed under this section. The amount of the fee shall be a percentage, determined by the authority, of each loan's guaranteed principal. The participating lender shall collect the fee and remit it to the authority. The authority shall deposit all fees received under this subsection in the Wisconsin clean and renewable energy reserve fund to be used to guarantee loans under this section.

238.58 Wisconsin clean and renewable energy reserve fund. (1) ESTABLISHMENT OF FUND. There is established under the jurisdiction and control of the authority, for the purpose of providing funds for guaranteeing loans, a Wisconsin clean and renewable energy reserve fund, consisting of all of the following:

(a) Moneys appropriated to the authority or received by the authority for the Wisconsin clean and renewable energy reserve fund from any other source.

(b) Any income from investment of money in the Wisconsin clean and renewable energy reserve fund by the authority.

(c) To be used for guaranteeing loans under s. 238.50, fees collected under s. 238.50 (6).

(2) PROGRAM ADMINISTRATION. (a) The authority may enter into a guarantee agreement with any bank, production credit association, credit union, savings bank, savings and loan association or other person who wishes to participate in a loan program guaranteed by the Wisconsin clean and renewable

energy reserve fund. The authority may determine all of the following, consistent with the terms of the specific loan guarantee program:

1. The form of the agreement.
2. Any conditions upon which the authority may refuse to enter into such an agreement.
3. Any procedures required to carry out the agreement, including default procedures and procedures for determining the guaranteed percentage of each loan.

(b) The authority may not use any moneys other than those in the Wisconsin clean and renewable energy reserve fund for programs guaranteed by the Wisconsin clean and renewable energy reserve fund.

(c) The authority may establish an eligibility criteria review panel, consisting of experts in finance and in the subject area of the loan guarantee program, to advise the authority about lending requirements and issues related to a loan guarantee program.

(3) LOAN GUARANTEES; INCREASES OR DECREASES. (a) Except as provided in par. (b), the total principal amount or total outstanding guaranteed principal amount of all loans that the authority may guarantee under the programs guaranteed by funds from the Wisconsin clean and renewable energy reserve fund may not exceed \$25,000,000.

(b) The authority may request the joint committee on finance to take action under s. 13.10 to permit the authority to increase or decrease the total principal amount or total outstanding guaranteed principal amount of loans that it may guarantee under the programs guaranteed by the Wisconsin clean and renewable energy reserve fund and the joint committee on finance may take that action. Included with its request, the authority shall provide a projection, for the next June 30, that compares the amounts required on that date to pay outstanding claims and to fund guarantees under the aggregate of the programs guaranteed by funds from the Wisconsin clean and renewable energy reserve fund, and the balance remaining in the Wisconsin clean and renewable energy reserve fund on that date after deducting those amounts, if the increase or decrease is approved, with those amounts and the balance remaining, if the increase or decrease is not approved.

(3m) EXTENSION OF LOAN GUARANTEE PROGRAM. When the authority prepares a fiscal estimate under s. 13.093 (2) (a) with respect to any bill that extends a program that is guaranteed by funds from the Wisconsin clean and renewable energy reserve fund, the authority shall include in its fiscal estimate a projection, for the next June 30, that compares the amounts required on that date to pay outstanding claims and to fund guarantees under all of the programs guaranteed by funds from the Wisconsin clean and renewable energy reserve fund, and the balance remaining in the Wisconsin clean and renewable energy reserve fund on that date after deducting those amounts, if the program is extended, with those amounts and the balance remaining if the program is not extended.

(4) BALANCE TRANSFER. (a) Annually on June 30, until no balance remains, the authority shall transfer to the general fund any balance remaining in the Wisconsin clean and renewable energy reserve fund on that date, after deducting an amount sufficient for all of the following:

1. To pay all outstanding claims under the programs guaranteed by funds from the Wisconsin clean and renewable energy reserve fund.

2. To fund guarantees under all of the programs guaranteed by funds from the Wisconsin clean and renewable energy reserve fund at a ratio of \$1 of reserve funding to \$4.50 of total outstanding principal and outstanding guaranteed principal that the authority may guarantee under all of those programs.

(b) Annually on August 31, the executive director of the authority shall provide to the secretary of administration and to the joint committee on finance a signed statement that includes all of the following information:

1. The amounts required to pay outstanding claims and to fund guarantees under the program guaranteed by funds from the Wisconsin clean and renewable energy reserve fund on that date.

2. An explanation of how the amount under subd. 1. was determined.

3. The amount of the balance, if any, that remains in the Wisconsin clean and renewable energy reserve fund after deducting the amount under subd. 1. and that will be transferred to the general fund under par. (a).

4. A projection of what the amount under subds. 1. and 3. will be on June 30 in each of the next 2 years.

(4m) LIMITATION ON LOAN GUARANTEES. The authority shall regularly monitor the cash balance in the Wisconsin clean and renewable energy reserve fund. The authority shall ensure that the cash balance in the fund is sufficient for the purposes specified in sub. (4) (a) 1. and 2.

(5) ANNUAL REPORT. On or before November 1 annually, the authority shall submit to the chief clerk of each house of the legislature for distribution under s. 13.172 (2) and to the joint committee on finance a report on the number and total dollar amount of guaranteed loans under the program guaranteed by the Wisconsin clean and renewable energy reserve fund, the default rate on the loans, and any other information on the program guaranteed by the Wisconsin clean and renewable energy reserve fund that the authority determines is significant.

(6) MORAL OBLIGATION. Recognizing its moral obligation, the legislature expresses its expectation that, if called upon to do so, it will make an appropriation to meet all demands for funds guaranteed by the Wisconsin clean and renewable energy reserve fund.

238.60 Biological fuel, power and product grant program. (1) In this section, "biological, fuel, power and project grant" means a grant to an entity engaged in the commercialization of biological fuel, biological power or a biological product. The authority may make grants under this section from the appropriation under s. 20.498 (2).

(2) A grant committee consisting of the secretaries of agriculture trade and consumer protection, natural resources and commerce shall make the grant determinations under this section in accordance with the rules adopted under sub. (3).

(3) The authority shall adopt guidelines to govern the biological fuel power and product grant program under this section.

238.65 Clean and renewable energy development; additional powers. The authority may implement any of the following programs for the purpose of promoting the development of clean and renewable energy business in this state:

(1) A revolving loan fund program pursuant to which the authority makes loans to finance clean or renewable energy or biobased industry businesses.

(2) An equity financing program to facilitate equity investments in renewable energy generation businesses owned and controlled by agricultural producers.

(3) A conservation trading program pursuant to which the authority acts as an intermediary in the aggregation and trading of environmental credits related to clean and renewable energy production.

(4) A program of technical assistance and business services to clean or renewable energy or biobased businesses and community clean or renewable energy or biobased projects.

(5) A program to obtain technology licenses and royalties on technologies developed with the assistance of the authority.

(6) The acceptance of gifts and grants to carryout any of the powers of the authority.

SECTION 42. 281.75 (4) (b) 3. of the statutes is amended to read:

281.75 (4) (b) 3. An authority created under subch. II of ch. 114 or ch. 231, 233, 234, or 237, or 238.

SECTION 43. 285.59 (1) (b) of the statutes is amended to read:

285.59 (1) (b) "State agency" means any office, department, agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including the legislature and the courts, the Wisconsin Housing and Economic Development Authority, the Bradley Center Sports and Entertainment Corporation, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Wisconsin Health and Educational Facilities Authority.

SECTION 44. 560.032 (1) of the statutes is amended to read:

*and to 738.10 by  
2011 act 32*

560.032 (1) ALLOCATION. The department, by rule, shall establish under 26 USC 146 and administer a system for the allocation of the volume cap on the issuance of private activity bonds, as defined under 26 USC 141 (a), among all municipalities, as defined in s. 67.01 (5), and any corporation formed on behalf of those municipalities, and among this state, the Wisconsin Health and Educational Facilities Authority, the Wisconsin Aerospace Authority, the Wisconsin Renewable Energy Development Authority, and the Wisconsin Housing and Economic Development Authority.

SECTION 45. 600.01 (1) (b) 7m. of the statutes is created to read:

600.01 (1) (b) 7m. Guarantees of the Wisconsin Renewable Energy Development Authority under ss. 238.50, 238.52, and 238.54.

SECTION 46. 706.11 (1) (c) 2. of the statutes is amended to read:

706.11 (1) (c) 2. The Wisconsin Health and Educational Facilities Authority created under ch. 231, the Wisconsin Housing and Economic Development Authority created under ch. 234, the Wisconsin Renewable Energy Development Authority created under ch. 238, or any other authority created by state law.

SECTION 47.0Nonstatutory provisions.

(1) TERMS OF INITIAL MEMBERS OF BOARD. Notwithstanding the length of terms specified for the members of the board of the Wisconsin Renewable Energy Development Authority under section 238.02 (1) of the statutes, as created by this act, the initial members of the board shall be appointed for the following terms:

(a) One member appointed under section 238.02 (1) (a) 1. of the statutes, for a term expiring on July 1, 2008.

(b) One member appointed under section 238.02 (1) (a) 1. of the statutes, for a term expiring on July 1, 2009.

(c) Two member appointed under section 238.02 (1) (a) 1. of the statutes, for a term expiring on July 1, 2010.

(c) One member appointed under section 238.02 (1) (a) 2. of the statutes, for a term expiring on July 1, 2011.

SECTION 45.0Effective dates. This act takes effect on the day after publication.

## Kunkel, Mark

**From:** Kunkel, Mark  
**Sent:** Tuesday, January 07, 2014 3:15 PM  
**To:** Kunkel, Mark  
**Subject:** Authority provisions

**Provisions included in 2005 AB 352 (aerospace authority) not included in Wisconsin Renewable Energy Development Authority (WREDA) proposal:**

13.94 (1) (b) and (g) ✓  
13.95 (intro.) ✓  
16.611 (2) (a) and (c) ✓  
19.42 (5) ✓  
20.395 changes (DOT appropriations) ✓  
25.50 (1) (d) ✓  
32.01 (1) and 32.05 (11m) (eminent domain) ✓  
70.11 (38m) ✓  
84.072 (3) ✓  
85.02 (1) ✓  
Ch. 114 changes (DOT and airports) ✓  
Ch. 893 changes (sov. immunity) ✓

**Provisions included in WREDA proposal and not in 2005 AB 352:**

19.42 (10) (r) ✓  
20.498 (appropriation) ✓  
103.49 (1) (f) ✓  
106.16 (2) and (3) ✓  
600.01 (1) (b) 7m. ✓  
706.11 (1) (c) 2. ✓

201 Spec. Secs  
SB 6  
WEDC  
1.12 (1) (b) ✓  
13.48 (10) (b) 6. Building Comm  
(12) (b) 5  
(13) (a)  
13.95 ✓  
16.15 (1) (ab) ✓  
16.417 (1) (a) ✓  
40.02 (28) ✓  
(36) ✓  
70.11 (38m) ✓  
~~(21.172 (1) (d) repealed~~

## Kunkel, Mark

**From:** Egerer, Matt  
**Sent:** Monday, January 06, 2014 5:19 PM  
**To:** Kunkel, Mark  
**Subject:** RE: Renewable Energy Authority

I guess it could be as early as 2003, but I believe the 2007 or 2009 biennia. It was not Rep. Barca that had drafted it.

Matt Egerer  
Office of Representative Peter Barca  
Assembly Democratic Leader  
608.266.5504

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**From:** Kunkel, Mark  
**Sent:** Monday, January 06, 2014 4:09 PM  
**To:** Egerer, Matt  
**Subject:** FW: Renewable Energy Authority

Matt:

I haven't been able to find the prior LRB draft that you mentioned below. Do you know how long ago it was requested?

--Mark

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**From:** Egerer, Matt  
**Sent:** Monday, January 06, 2014 3:13 PM  
**To:** Hanaman, Cathlene  
**Subject:** Renewable Energy Authority

Cathlene,

Attached is the starting point for our office's next priority draft. The idea is that it would be an authority like WHEDA for energy efficiency/renewable energy investment. LRB had drafted the document some years back, but I don't have number and the word document formatting removed the editing marks from the legal language. But still, hopefully some of the work has already been done on this.

We would like to make the following modifications to the draft:

- 1. Expand scope so that the authority so it is clear that the programs the authority operates can also be used for projects where the objective is to reduce energy consumption
- 2. Require an annual report on the actions of the authority; including jobs created or retained and the fiscal impact (savings) as a result of projects
- 3. Require an annual LAB audit of the authority — (r 13.94(1)(w)) (see (c))
- 4. Require it to be subject to state purchasing provisions → see CM4
- 5. Stagger the terms of board members
- 6. Allow the board to select the Executive Director
- 7. Allow the board to prepare the list of candidates to be future candidates of the board
- 8. Require the board to approve all policies of the Authority
- 9. All Commerce references become WEDC

Matt Egerer  
Office of Representative Peter Barca

*Handwritten notes:*  
- note  
- loan participant - see 235.14(1)(b)  
- loan guarantees 235.15(2)(u)  
- note  
253.02(3)  
1  
maj vote  
amend-  
253.03(1)  
adapting bylaws etc  
9/10/13 235.12  
addition owners  
235.18(1)  
(12)  
(14)

Assembly Democratic Leader  
608.266.5504